



State of Arizona
Department of Education

Tom Horne
Superintendent of
Public Instruction

CN# 13-07

MEMORANDUM

To: School Health & Nutrition Program Sponsors

From: Mary Szafranski, Deputy Associate Superintendent
Arizona Department of Education, Health & Nutrition Services
Katrina Klatt, NSLP Nutrition Director
Arizona Department of Education, School Health & Nutrition Programs

Date: September 19, 2006

RE: Clarification of Direct Verification

Original Signed

The purpose of this memo is to clarify State agency procedures for direct verification, **especially concerning the use of Medicaid data**. In this memo, "eligible child(ren)" means children certified for free or reduced price school meals whose household application has been selected for verification. Children who are members of households participating in the Food Stamp Program (FSP), Food Distribution Program on Indian Reservations (FDPIR) and Cash Assistance (CA) are case number eligible; children who are participating in the State Medicaid program are not. **Medicaid data may only be used for verification purposes and not certification**. The Arizona Department of Education is creating a direct verification Medicaid database that is expected to be launched by the school year 2007-2008.

Names Submitted

State agencies conducting direct verification should only submit the names of the eligible children and not the names of other members of the household. For the purposes of direct verification, **if one eligible child is participating in the FSP, FDPIR, CA or Medicaid, all eligible children in that child's household are verified**. If none of the children's participation is confirmed by the direct verification source, regular verification procedures must be followed.

Please note: The above mentioned procedure is an update to the policy and procedures in the CNP Verification Manual page 17. The updated version of the manual will be available November 1, 2006.

Information Used for Direct Verification

The information used for direct verification must be **the most up to date information available**, which is no older than 180 days prior to the date of the free and reduced price application.

For direct verification, State agencies may use:

- the latest available information for one month (within the 180-day requirement); OR
- information for all months from the month prior to application through the month direct verification is conducted.

For Medicaid

Medicaid Limits at or below 133% of the Federal Poverty Line

Medicaid participation is the only information needed to verify free or reduced price eligibility.

Medicaid Limits above 133% of the Federal Poverty Line

Direct verification information **must** include either the percentage of the Federal poverty line upon which the applicant's Medicaid participation is based, or Medicaid income and Medicaid household size in order to determine that the applicant is either at or below 133% of the Federal poverty line, or is between 133% and 185% of the Federal poverty line.

- Verification for children approved for **free** meals is complete if Medicaid data indicated that the percentage is at or below 133% of the Federal poverty line.
- Verification for children approved for **reduced price** meals is complete if Medicaid data indicated that the percentage is at or below 185% of the Federal poverty line.
- Medicaid information may only be used for direct verification, not for certification.
- If no child's participation in the Medicaid program is confirmed through direct verification, regular verification procedures must be followed.

Use of State Children's Health Insurance Program (SCHIP) for Direct Verification

SCHIP information may also be used for direct verification. The procedures outlined above for Medicaid also apply to SCHIP.

If you have questions or concerns regarding this memo, please contact your assigned School Health & Nutrition Program Specialist at 602-542-8700.